

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5

IN THE MATTER OF:)	EPA-5-13-113(a)-IN-02
)	
Muncie Casting Corporation)	Proceeding Under Sections 113(a)(3)
Muncie, Indiana)	and 114(a)(1) of the Clean Air Act,
)	42 U.S.C. §§ 7413(a)(3) and 7414(a)(1)
Respondent)	
_____)	

Administrative Consent Order

1. The Director of the Air and Radiation Division, U.S. Environmental Protection Agency, Region 5 ("EPA"), is issuing this order to Muncie Casting Corporation ("Muncie"), under Sections 113(a)(3) and 114(a)(1) of the Clean Air Act ("Act"), 42 U.S.C. §§ 7413(a)(3) and 7414(a)(1).

Statutory and Regulatory Background

2. Section 111 of the Act, 42 U.S.C. §7411, requires that the Administrator publish a list of categories of stationary sources which, in the Administrator's judgment, cause or contribute significantly to air pollution which may reasonably be anticipated to endanger public health or welfare.

3. Section 111 of the Act, 42 U.S.C. § 7411, requires the Administrator to publish regulations establishing Federal standards of performance for new sources within the listed stationary source categories.

4. The Administrator published a list of source categories in accordance with Section 111 of the Act, 42 U.S.C. § 7411, on January 8, 1982. 47 Fed. Reg. 951 (January 8, 1982).

5. The prioritized list of source categories includes Non-Metallic Mineral Processing (priority 13) and Metallic Mineral Processing (priority 14). 40 C.F.R. § 60.16.

6. The Administrator promulgated the General Provisions of 40 C.F.R. Part 60, Subpart A (“General Provisions”) on December 23, 1971. 36 Fed. Reg. 24877 (December 23, 1971).

7. The General Provisions establish requirements that owners or operators of stationary sources for which the Administrator promulgated a standard of performance for new sources must meet. In the definitions section of the General Provisions, any apparatus to which a standard applies is termed an “affected facility.” 40 C.F.R. § 60.2. Owners or operators are required to:

- a. Submit written notification of the following:
 - i. The date construction of an affected facility is commenced, no later than 30 days after such date. 40 C.F.R. § 60.7(a)(1).
 - ii. The actual date of initial startup of an affected facility, postmarked within 15 days after such date. 40 C.F.R. § 60.7(a)(3).
 - iii. Any physical or operational change to an existing facility which may increase the emission rate of any air pollutant to which a standard applies, within 60 days or as soon as practicable before the change is commenced. 40 C.F.R. § 60.7(a)(4).
- b. Conduct performance test(s) and furnish to the Administrator a written report of the results of such performance test(s) within 60 days after achieving the maximum production rate at which an affected facility will be operated, but not later than 180 days after initial startup of such facility. 40 C.F.R. § 60.8(a).

8. The General Provisions also provide the Administrator with the authority to review and approve alternative monitoring requests submitted by owners or operators of affected facilities. 40 C.F.R. § 60.13(i).

9. The Administrator promulgated the Standards of Performance for Calciners and Dryers in Mineral Industries (40 C.F.R. Part 60, Subpart UUU) on September 28, 1992. 57 Fed. Reg. 44503 (September 28, 1992).

10. Under 40 C.F.R. §60.730(c), Subpart UUU applies to the owner or operator of an affected facility, as defined at 40 C.F.R. § 60.730(a), which commences construction, modification, or reconstruction after April 23, 1986. 40 C.F.R. § 60.730(a) defines “affected facility,” for the purpose of Subpart UUU, as “each calciner or dryer at a mineral processing plant.”

11. The Standards of Performance for Calciners and Dryers in Mineral Industries impose the following requirements on affected facilities subject to Subpart UUU:

- a. Each owner and operator of an affected facility must comply with the emission limitation of 0.092 grain per dry standard cubic meter (g/dscm) [0.040 grain per dry standard cubic foot (gr/dscf)] on and after the date on which the initial performance test required by 40 C.F.R. § 60.8 is completed, but not later than 180 days after the initial startup, whichever date comes first. 40 C.F.R. § 60.732(a).
- b. No emissions discharged into the atmosphere from any affected facility may exhibit greater than 10 percent opacity. 40 C.F.R. § 60.732(b).
- c. The owner or operator of an affected facility who uses a dry control device must meet the requirements for monitoring of emissions and operations set forth in 40 C.F.R. §§ 60.734(a-c).

- d. The owner or operator of an affected facility must maintain certain records and submit certain reports. 40 C.F.R. §§ 60.7 and 60.735.

12. Under Section 113(a)(3) of the Act, 42 U.S.C. § 7413(a)(3), the Administrator may issue an order requiring compliance to any person who has violated or is violating New Source Performance Standards ("NSPS") regulations. The Administrator has delegated this authority to the Director of the Air and Radiation, Division Region 5.

Muncie's Federally Enforceable State Operating Permit

13. EPA approved Indiana's Federally Enforceable State Operating Permit ("FESOP") program, 326 IAC 2-8-1 through 2-8-17, as part of the federally enforceable Indiana State Implementation Plan ("SIP") on August 18, 1995. 60 Fed. Reg. 43008 (August 18, 1995).

14. Under 326 IAC 2-8-2 (a), any source required to have a Part 70 permit (Indiana's approved Title V operating permit program) may apply for a FESOP in lieu of a Part 70 permit.

15. On February 11, 2011, the Indiana Department of Environmental Management ("IDEM") issued FESOP #035-29148-00061 to Muncie for its facility located at 1406 East 18th Street in Muncie, Indiana.

16. FESOP #035-29148-00061, Condition D.3.6 requires the permittee to perform visible emission notations of the stack exhaust from the four mixers (EU 18 - EU 21) and the thermal sand reclamation unit (EU 17) daily during normal daylight operations. A trained employee must record whether the emissions are normal or abnormal.

17. FESOP #035-29148-00061, Condition D.3.7 requires the permittee to record the pressure drop across the baghouse used in conjunction with the thermal sand reclamation unit (EU 17) at least once daily when the emission unit is in operation.

18. 40 C.F.R. §52.23 provides that failure to comply with any permit condition issued pursuant to approved or promulgated regulations for the review of new or modified stationary or indirect sources, or with any permit limitation or condition contained within an operating permit issued under an EPA-approved program that is incorporated into the SIP, shall render the person so failing to comply in violation of the applicable SIP and subject to enforcement action under Section 113 of the Act, 42 U.S.C. § 7413.

19. Under Section 113 (a)(1) of the Act, 42 U.S.C. § 7413(a)(1), the Administrator may issue an order requiring compliance to any person who has violated or is violating a SIP. The Administrator has delegated this authority to the Director of the Air and Radiation Division, Region 5.

Information Gathering Authority

20. The Administrator of EPA may require any person who owns or operates an emission source to, among other things, make reports; install, use and maintain monitoring equipment; sample emissions; and provide information required by the Administrator under Section 114 (a)(1) of the Act, 42 U.S.C. § 7414 (a)(1). The Administrator has delegated this authority to the Director of the Air and Radiation Division, Region 5.

Findings

21. Muncie Casting owns and operates an aluminum foundry located at 1406 East 18th Street, Muncie, Indiana (“the facility”).

22. The facility is a “Stationary Source” as that term is defined in the Act, 42 U.S.C. § 7602(z).

23. The facility includes, among other things, a “mineral processing plant” as defined at 40 C.F.R. § 60.731.

24. Muncie installed and began operation of a thermal sand reclamation unit, EU17, within its mineral processing plant in 1998.

25. The thermal sand reclamation unit is a “calciner” as defined at 40 C.F.R. § 60.731 and is therefore an affected facility under 40 C.F.R. Part 60, Subpart UUU.

26. The thermal sand reclamation unit, EU17, uses a dry control device (baghouse).

27. EPA conducted an inspection at the facility on April 18, 2012.

28. EPA issued a Finding of Violation (“FOV”) to Muncie on December 21, 2012, alleging Muncie failed to comply with certain requirements of the General Provisions of 40 C.F.R. Part 60 and of Subpart UUU.

29. Representatives of Muncie and EPA held a conference call on January 31, 2013 to discuss the FOV.

30. Muncie sent EPA additional information about the facility on February 22, 2013 and April 22, 2013.

Compliance Program

31. Because Muncie operates an affected facility utilizing a dry control device, its thermal sand reclamation unit must comply with the requirements of the General Provisions of 40 C.F.R. Part 60, Subpart A and the Standards of Performance for Calciners and Dryers in Mineral Industries, 40 C.F.R. Subpart UUU.

32. After considering and evaluating any and all information available to the Administrator, the authorities provided to the Administrator by Sections 111, 113, and 114 of the Act as well as 40 C.F.R. Part 60, EPA has determined that Muncie must implement the following compliance program to comply with the General Provisions of 40 C.F.R. Part 60, Subpart A and the requirements of 40 C.F.R. Part 60, Subpart UUU.

33. Within 30 days after the effective date of this Order, Muncie must submit written notification, pursuant to 40 C.F.R. § 60.7(a), identifying the dates construction of the thermal sand reclamation unit, EU17, began and was complete; the actual date of initial startup of the thermal sand reclamation unit, EU17; and a statement identifying any physical or operational changes to the thermal sand reclamation unit, EU17, which may have increased the emission rate of any air pollutant and which occurred since the date of initial startup. If Muncie has not made any physical or operational changes to the thermal sand reclamation unit, EU17, it should provide such a statement in the written notification.

34. Within 30 days after the effective date of this Order, Muncie must submit to EPA and IDEM a protocol for approval for performance testing to demonstrate compliance of affected facility EU17, the thermal sand reclamation unit, with 40 C.F.R. § 60.732. The protocol shall address all the requirements of 40 C.F.R. §§ 60.8, 60.732, and 60.736.

35. Within 90 days of EPA and IDEM approval, whichever is later, under Paragraph 34, above, Muncie must conduct performance testing in accordance with the requirements of the 40 C.F.R. §§ 60.8, 60.732, and 60.736 and the approved test protocol. In summary, the performance testing must include EPA Reference Method 5 for particulate matter (three two-hour minimum test runs and a sample volume of 1.70 dscm) and Method 9 for opacity.

36. Muncie must submit to EPA and IDEM an intent to test notification for the emission testing discussed in Paragraph 35, above, in accordance with 40 C.F.R. § 60.8(d).

37. Muncie must submit a complete report of the performance test results to EPA and IDEM within 60 days after completing the performance testing.

38. In lieu of compliance with the emission monitoring provisions of Subpart UUU under 40 C.F.R. § 60.734, EPA has established the following alternative monitoring

requirements for the thermal sand reclamation unit, EU 17, at the affected facility pursuant to 40 C.F.R. § 60.13(i). By the effective date of this order:

- a. Muncie must continue performing daily visible emission readings using EPA Reference Method 22 once per day for every day the thermal sand reclamation unit, EU17, is operating. These visible emission readings must be performed at the stack for the baghouse and in/around the baghouse and baghouse ductwork to assure no leaks exist. These visible emission readings must be performed at a time when the thermal sand reclamation unit, EU17, is operating; and
- b. Muncie must continue to record the pressure drop across the baghouse used in conjunction with the thermal sand reclamation unit, EU 17, at least once daily when the emission unit is in operation.

39. By the effective date of this Order, Muncie must maintain a written record of the results of each daily visible emission reading using Method 22 which states, "Yes, there were visible emissions observed" or "No, there were no visible emissions observed." Muncie must also maintain a written record of the pressure drop readings across the baghouse. Muncie must retain the written records for a minimum of two years, and the records must be readily available for review on-site by either EPA or IDEM.

40. Within 60 days after the effective date of this Order, Muncie must develop and submit to EPA for approval a corrective action plan to address visible emissions from the thermal sand reclamation unit, EU17, and out-of-range pressure drops across the baghouse for the thermal sand reclamation unit, EU17. The corrective action plan must describe actions the facility will take to minimize and/or eliminate visible emissions if such visible emissions are observed from the thermal sand reclamation unit, EU17, and to address out-of-range pressure

drop readings across the baghouse for the thermal sand reclamation unit, EU17. The details of the corrective action plan will be developed by the facility, but should include, at a minimum, actions which demonstrate good air pollution control practices to minimize or eliminate visible emissions, root cause analyses of each visible emission event, and preventative measures to be implemented to prevent such visible emissions from occurring again. Other actions may include: reduced load, shut down of the process unit causing the visible emissions, improved dry control device maintenance, or other similar actions. The corrective action plan will initially be developed based on the facility's past experience with visible emissions (and/or current requirements in permits to install and/or operate), but may be modified periodically as root cause analyses are performed.

41. Upon submittal of the corrective action plan required by Paragraph 40, above, Muncie shall implement and follow the corrective action plan if visible emissions are observed from the thermal sand reclamation unit, EU17.

42. Muncie must submit reports to EPA and IDEM summarizing the daily pressure drop reading across the baghouse used in conjunction with the thermal sand reclamation unit, EU17, the daily visible emissions readings, date and time of such readings, any periods of observed visible emissions, the cause of any observed visible emissions (i.e., the results of the root cause analyses), any corrective actions taken to minimize and/or eliminate the observed visible emissions, and any updates/revisions to the existing corrective action plan as a result of any visible emission event. These reports must be submitted at least quarterly. These reports can be incorporated into existing reporting requirements which may be required on a quarterly basis. Muncie may request a reduced reporting schedule after one year of quarterly report submittals, in accordance with 40 C.F.R. § 60.7.

43. Within 180 days of the effective date of this Order, Muncie must apply to IDEM for revisions to its existing FESOP and other underlying permits.

44. The application for the permit revisions referenced above must request IDEM to incorporate all of the requirements of this Administrative Consent Order (ACO) into the respective permits as federally enforceable conditions.

45. Muncie must submit a copy of the permit application to EPA simultaneously with submittal to IDEM.

46. A copy of the application referenced above, as submitted, must be sent to:

Attn: Compliance Tracker, AE-17J
Air Enforcement and Compliance Assurance Branch
U.S. EPA, Region 5
77 W. Jackson Boulevard
Chicago, Illinois 60604

47. Muncie must submit all documents required by this Order under an authorized signature with the following certification:

I certify under penalty of law that I have examined and am familiar with the information in the enclosed documents, including all attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are, to the best of my knowledge and belief, true and complete. I am aware that there are significant penalties for knowingly submitting false statements and information, including the possibility of fines or imprisonment pursuant to Section 113(c)(2) of the Act, and 18 U.S.C. §§ 1001 and 1341.

General Provisions

48. This Order does not affect Muncie's responsibility to comply with other local, state, and federal laws and regulations.

49. This Order does not restrict EPA's authority to enforce the Indiana SIP, Section 111 of the Act, 42 USC §7411, or any other section of the Act.

50. Nothing in this Order limits EPA's authority to seek appropriate relief, including penalties under Section 113 of the Act, 42 U.S.C. § 7413, for Muncie's violation of the Indiana SIP, the NSPS General Provisions, or 40 C.F.R. Part 60, Subpart UUU.

51. Failure to comply with this Order may subject Muncie to penalties of up to \$37,500 per day for each violation under Section 113 of the Act, 42 U.S.C. § 7413, and 40 C.F.R. Part 19.

52. The terms of this Order are binding on Muncie, its assignees, and successors. Muncie must give notice of this Order, if still in effect, to any successors in interest prior to transferring ownership and must simultaneously verify to EPA, at the above address, that Muncie has given the notice.

53. Muncie may assert a claim of business confidentiality under 40 C.F.R. Part 2, Subpart B, for any portion of the information it submits to EPA, except emission data. Information subject to a business confidentiality claim is available to the public only to the extent allowed by 40 C.F.R. Part 2, Subpart B. If Muncie fails to assert a business confidentiality claim, EPA may make all submitted information available, without further notice, to any member of the public who requests it. Emission data provided under Section 114 of the Act, 42 U.S.C. § 7414, (including emission data from the performance testing required by this ACO) is not entitled to confidential treatment under 40 C.F.R. Part 2, Subpart B. "Emission data" is defined at 40 C.F.R. § 2.301.

54. This Order is not subject to the Paperwork Reduction Act, 44 U.S.C. § 3501 et seq., because it seeks information by an agency from specific individuals or entities as part of an administrative action or investigation. To aid in our electronic record keeping efforts, please furnish an electronic copy (of required reports) on a physical media such as a CD, thumb/flash drive or other similar item. If it is not possible to submit the information electronically, provide

your response to this Order without staples; paper clips and binder clips, however, are acceptable.

55. EPA may use any information submitted under this Order in an administrative, civil, or criminal action.

56. Muncie agrees to the terms of this Order.

57. This Order is effective on the date of signature by the Director of the Air and Radiation Division.

58. This Order will terminate two years from the effective date, provided that Muncie has complied with all terms of the Order throughout its duration.

Muncie Casting Corporation

June 24, 2013
Date

Aaron B. Vest
Aaron Vest, Supervisor
Muncie Casting Corporation

United States Environmental Protection Agency

7/29/13
Date

George T. Czerniak
George T. Czerniak
Director
Air and Radiation Division
U.S. Environmental Protection Agency
Region 5

CERTIFICATE OF MAILING

I, Daneshia Hamilton certify that I sent the Administrative Consent Order, EPA Order No. EPA-5-13-113(a)-IN-02, by Certified Mail, Return Receipt Requested, to:

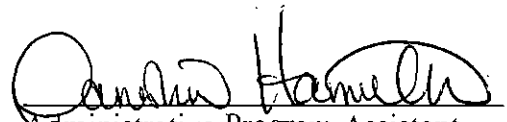
Aaron Vest, Supervisor
Muncie Casting Corporation
1406 East 18th Street
Muncie, Indiana 47302

I also certify that I sent a copy of the Administrative Consent Order, EPA Order No. EPA-5-13-113(a)-IN-02, by First-Class Mail to:

Matthew Chaifetz
Compliance and Enforcement Office of Air
Quality
Indiana Department of Environmental
Management
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46206-6015

Phil Perry
Compliance and Enforcement Office of Air
Quality
Indiana Department of Environmental
Management
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46206-6015

On the 1st day of August 2013.


Administrative Program Assistant
AECAB [Planning and
Administration Section]

CERTIFIED MAIL RECEIPT NUMBER:

7009 1680 0000 7669 5374